

August 27, 2023

By Email

Vanessa A. Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 205499-1090
rule-comments@sec.gov

Re: Release Number 34-97762, File Number S7-32-10, Position Reporting of Large Security-Based Swap Positions

Dear Securities and Exchange Commission,

I want to start by expressing my gratitude to the Commission for its involvement and support of the efforts aimed at promoting fairness and market transparency. I am in favour of the proposed rule S7-32-10 Position Reporting of Large Security-Based Swap Positions.

These complex financial instruments known as swaps are frequently utilized in dark corners of the financial system, where huge amounts of money are hidden from the public view. Such situation directly contradicts the definition of the "transparent market" and poses a threat to the stability of the entire financial system. Situations like Archegos would not have happened if swaps had been properly disclosed in a timely manner. How many similar financial ticking bombs are out there? Greater transparency and accountability needs to be enforced in the whole market, including derivatives. Changes in this area are not only welcome but necessary. I strongly believe that the proposed rule will promote fairer and safer markets for everyone. It is unacceptable that an organization such as CFTC can decide to suspend swap positions reporting¹²³ for many years. It is crucial to shed light on these obscure financial products and make their dealings more public. Fair markets rely on transparency and equal access to information for every participant. Additionally, **in order to prevent financial institutions from utilizing borders as a means of evading the regulations, I strongly favour enforcing this rule internationally.** Allowing large traders to take on excessive risk through swaps in numerous different securities while evading reporting obligations is against the spirit of this proposal.

I encourage the commission to publish this rule as soon as possible. At the same time, I would like to thank the Commission for giving me the chance to comment on such important matter.

Best regards,
Michal Dudek, MSc, PMP

1 <https://www.cftc.gov/PressRoom/PressReleases/8422-21>

2 <https://www.cftc.gov/PressRoom/PressReleases/8618-22>

3 <https://www.cftc.gov/PressRoom/PressReleases/8746-23>